

LobbyTalk

“Health
ultimatums
contain toxic
—Ratchett

Colombia's Unlikely Advocate

By SAM LOEWENBERG

The \$1 billion-plus Colombian anti-drug package that passed the U.S. Senate last week has had a string of unlikely advocates: defense contractors, oil companies, and now, apparently, tobacco.

Representatives of the Philip Morris Cos. lobbied both the House and the Senate to pass the package, according to a GOP aide in the Senate and a former committee staffer in the House.

The cigarette company's lobbyists said that they were pressing the issue at the request of the Colombian government, according to the Hill staffers.

Philip Morris did not return multiple calls seeking comment.

But Colombian Ambassador Luis Alberto Moreno denies that the tobacco company was acting on his government's behalf.

"Nothing is farther from the truth," Moreno says.

The legislation, proposed by the Clinton administration, calls for roughly \$1.6 billion in aid, most of which comes in the form of military hardware and intelligence for the Colombian army. Critics in Congress and human rights groups argue that the aid will not help in drug interdiction, but is instead a military package whose purpose is counterinsurgency, not counternarcotics.

It is unclear what interest Philip Morris has in the legislation. There is no record of the tobacco company either registering on the issue with the Justice Department as a foreign agent or registering on the issue with Congress to lobby.

But some who follow the tobacco company suspect there may be a link between the company's lobbying here and its problems in Colombia.

TRoublesome CIVIL SUIT

In May, Philip Morris was slapped with a civil lawsuit by 22 Colombian states and the capital city Bogota. The suit, filed in federal court in New York, alleges that Philip Morris worked with Colombian drug dealers to

engage in cigarette smuggling and money laundering. The states claim they have lost billions of dollars as a result.

In what some observers have since interpreted as a move to pre-empt the suit, Philip Morris announced in March an agreement with the Colombian central government to fight smuggling.

It was also around this time that the tobacco company's lobbyists went to Capitol Hill to discuss the Colombian anti-drug package, according to the two congressional staffers.

The lobbyists made the case that the package would curb cigarette smuggling and also discussed the importance of the Colombian market to the company's business.

"It seems pretty clear to me that they are trying to get in good with the Colombian government because of those lawsuits," says Ross Hammond, a Latin American specialist with the Campaign for Tobacco-Free Kids, a D.C.-based anti-smoking group. "They are probably hoping that by doing the Colombian federal government a

favor that pressure can be brought on the states to drop the suit."

Ambassador Moreno says that the suggestion of a behind-the-scenes deal with Philip Morris is "absolutely false."

Moreno says he did talk with Philip Morris officials on several occasions about cigarette smuggling and the lawsuit, but that he never asked them to lobby for the aid package. He acknowledges asking other companies, through the U.S.-Colombia Business Partnership, to push for the aid.

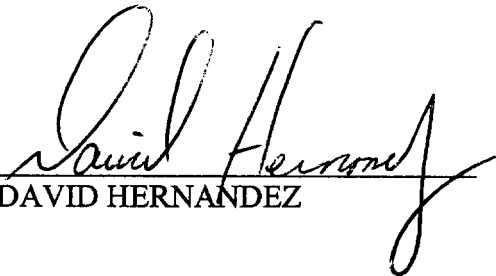
Lawyers from the New York office of Speiser, Krause, Nolan & Grando, who are counsel to the Colombian states, say that they have cut no deal with Philip Morris, and that the central government has no formal authority to intervene in their legal action. ■

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing **MEMORANDUM OF LAW OF THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA IN OPPOSITION TO PHILIP MORRIS' MOTION FOR REASSIGNMENT** has been served by hand on this 18th day of August, 2000 on the following:

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